MURTHY): (a) The Income Tax and Corporation Tax collections upto 31.10.93 are Rs. 6672.93 crores as compared to cellections of Rs. 6749.90 crores upto 31.10.92. The marginal shortfall is expected to be made good in the remaining part of the year as both TDS and Advance Tax collections show buoyancy. In respect of Wealth Tax only the collections show a declining trend. The actual Wealth Tax collections upto 31.10.93 are Rs. 68.41 crores as against Rs. 239.28 crores upto 31.10.92.

(b) The lower collection of Wealth Tax is due to the fact that the taxable limit of Wealth Tax has been enhanced, the rates have been lowered and many items hitherto taxed have been taken out of the tax net. In fact, the target for Wealth Tax collection during financial year 1993-94 has been fixed at Rs. 200 crores against the actual collection of Rs. 463.98 crores during the last financial year.

(c) The Government has been constantly monitoring revenue collections throughout the country and is laying special emphasis on liquidation of arrears during the current financial year.

Rupee Depreciation due to higher Domestic inflation

446. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news item which appeared on col 8, p. 13 of Business Times of Times of India (ND) dt. 13.2.93 under the caption 'rupee likely to depreciate: Merrill Lynch', wherein it has been stated that higher domestic inflation is likely to result in rupee depreciation and

(b) if so, what is government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir.

(b) At the heart of the decision to allow the Rupee to float is the objective that the Rupee attain a value consistent with economic fundamentals. Inflation in India vis-a-vis inflation abroad is one of the factors affecting the exchange rate. But there are other factors as well such as the current account position, foreign exchange reserves, capital inflows and the interest rate differentials. The Rupee remained more or less stable after the float, and given the complexity of the situation, it is not possible to indicate its value in future with any certainty.

Government's views to the tenth Finance Commission

447. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government have made it clear to the Tenth Finance Commission that there is no scope for additional resources from the Centre to the States; and

(b) If so, the steps proposed to be taken by the respective States to find resources to carry out their developmental activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) To enable the Tenth Finance Commission to take a comprehensive view of the needs of various Governments while recommending distribution of share of proceeds of taxes and determination of grants in aid, Central Government and State Governments furnish memoranda to the Commission bringing out their respective financial positions. These memoranda are meant for the internal use of the Finance Commission.